



LONG-TERM THINKING FOR TODAY'S ISSUES

March 23, 2022

Hon. Marie-Claude Bibeau, M.P.
Minister of Agriculture and Agri-Food
1341 Baseline Road
Ottawa, ON
K1A 0C5
Via email: Marie-Claude.Bibeau@parl.gc.ca

Re: Letter of Support for Fertilizer Tariff Relief

Dear Honourable Minister Bibeau,

The Christian Farmers Federation of Ontario (CFFO) is an Accredited Farm Organization representing the interests of over 4,000 farm families in Ontario who are called to the vocation of farming. CFFO policy promotes economically, socially, and environmentally sustainable farming, advocating that farmers receive fair return for their production and stewardship efforts.

We are writing to indicate our support for the request from the Ontario Agri Business Association (OABA) for actions to address potential impacts of the sanctions and tariffs placed on Russia and Belarus. These requested actions are necessary to protect Ontario farmers' access to vital fertilizer supplies without adding significant costs for the coming spring growing season.

We recognize and support the need to send a clear message to Russia and stand against the atrocities now being carried out against the people and land of Ukraine. Economic sanctions are one way to send a clear message to Russia. However, it is important to be careful that more harm to others, at home and globally, is not caused instead.

Food is a universal human need. The war in Ukraine has put significant strain on global food supplies and is likely to cause shortages in regions previously dependent on Ukraine and Russia for key staples such as wheat and sunflower oil. As Canadians, we have a moral responsibility to help meet the global food demand and minimize the human suffering that is resulting from this ongoing conflict in Ukraine and around the world. Canadian farmers' crops must not be jeopardized as a result of efforts to speak out against the war in Ukraine.

Implementing a 35% tariff on fertilizer imports from Russia and Belarus on pre-existing orders, with minimal global sourcing alternatives at this late stage prior to spring, will severely impact already tight fertilizer supplies and escalated farm level fertilizer prices.

Specifically, we support requests from OABA for the following:

1. That the Standing Committee on Agriculture and Agri-food (AGRI) hold an emergency meeting to address the supply chain challenges the Eastern Canadian fertilizer value chain is currently facing due to the implementation of the tariff and associated supply chain restrictions on Russian goods.
2. Amend the tariff policy on Russian fertilizer to include the following:

- a. 35% tariff would not apply on fertilizer imports that have a documented fertilizer purchase order made prior to March 2, 2022.
 - b. 35% tariff applies to fertilizer purchases orders made as of March 3, 2022.
 - c. 35% tariffs paid by fertilizer importers be put “in-trust” until further clarity on tariff policy decisions can be made by government decision makers.
3. Ensure that vessel shipments of fertilizer that are of Russian or Belarusian origin currently in transit are allowed to off-load at Canadian ports (i.e., Port of Hamilton and Port of Montreal), if all necessary shipping requirements are met (i.e., ship and crew are not of Russian origin, per Customs Notice 22-02).
 4. Government of Canada examine providing the sector (i.e., fertilizer importers, distributors, ag-retailers and farmers) compensation for undue financial hardships associated with the implementation of the 35% tariff on fertilizer.

These actions would protect Ontario farmers’ supply of fertilizer and prevent adding significantly to the cost of that vital fertilizer. Because most purchase orders were made weeks or even months before the conflict broke out and sanctions were implemented, there is little opportunity now for agri-businesses and farmers to source alternatives for this growing season. While some fertilizer supplies are currently in storage, these are not sufficient to meet the needs of farmers for the whole spring planting season. Fertilizer prices are already currently high, and adding this extra cost will only hurt Ontario farmers and ultimately the consumers of this food, not Russia or Belarus.

We ask that you consider taking the recommended actions to alleviate these risks to fertilizer supplies and costs in this vital spring planting season.

Thank you for your support for farmers.

Sincerely,



Ed Scharringa, President

Christian Farmers Federation of Ontario

cc: Hon. Lisa Thompson, MPP, Minister of Agriculture, Food and Rural Affairs, Ontario